

**IN THE CLAIMS:**

Please cancel claims 4-9, 11-18, and 30 and amend the claims as follows:

1. (Currently Amended) An expandable tubular, comprising: an outer wall having a recess formed therein, the recess defining a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors, wherein the recess moves outward radially upon expansion of the expandable tubular.
2. (Currently Amended) The expandable tubular of claim 1, wherein the expandable tubular is in an expanded state and the outer wall is in substantial contact with a wall of a wellbore.
3. (Previously Presented) The expandable tubular of claim 1, wherein the expandable tubular is in an expanded state and the outer wall is in substantial contact with casing disposed in a wellbore.

Claims 4-9. (Cancelled).

10. (Currently Amended) The expandable tubular of claim 1, further comprising an encapsulation within said the recess, the recess serving as a housing for one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, which reside within said the encapsulation.

Claims 11-18. (Cancelled).

19. (Previously Presented) The expandable tubular of claim 1, wherein the recess comprises at least one arcuate wall.

20. (Previously Presented) The expandable tubular of claim 10, the encapsulation further comprising at least one arcuate wall.

21. (Currently Amended) The expandable tubular of claim 10, the encapsulation further comprising:

a first arcuate wall having a first end and a second end; and

a second wall having a first end and a second end, ~~said~~the first and second ends of ~~said~~the first and second walls of ~~said~~the encapsulation being connected so as to define a housing between ~~said~~the first and second walls of ~~said~~the encapsulation.

22. (Currently Amended) An apparatus for use in well completion operations, comprising:

an expandable tubular having inner and outer walls; and

one or more of the following located within ~~an~~the outer wall of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors,

wherein the one or more of the following located within the outer wall of the expandable tubular is protected during the expansion process when the inner wall increases in diameter.

23. (Previously Presented) The apparatus of claim 22, wherein the one or more of control lines, instrumentation lines, fiber optics, and downhole sensors are housed within a recess in the outer wall of the expandable tubular, wherein the recess protects the one or more of control lines, instrumentation lines, fiber optics, and downhole sensors during expansion of the expandable tubular.

24. (Previously Presented) The apparatus of claim 23, further comprising an encapsulation disposed within the recess.

25. (Previously Presented) The apparatus of claim 24, wherein the encapsulation is generally shaped to conform to the recess.

26. (Previously Presented) The apparatus of claim 24, wherein the encapsulation generally complies with the expandable tubular as it is expanded against a formation.

27. (Previously Presented) The apparatus of claim 23, wherein the recess comprises at least one arcuate wall.

28. (Previously Presented) The apparatus of claim 24, wherein the encapsulation comprises at least one arcuate wall.

29. (Currently Amended) A method for controlling at least one downhole tools or instruments through an expandable tubular from a surface of a wellbore, comprising:

~~running providing an~~ the expandable tubular in the wellbore, the expandable tubular having a first inner diameter, one or more of the following disposed ~~able~~ within a recess formed in an outer wall of the expandable tubular: control lines, instrumentation lines, fiber optics, downhole sensors, data acquisition lines, and communication lines; and

expanding the expandable tubular to a second inner diameter, the second inner diameter larger than the first inner diameter, wherein the one or more of the control lines, instrumentation lines, fiber optics, and downhole sensors is protected during the expansion.

30. (Cancelled).

31. (Previously Presented) An expandable sand screen tool for use in a wellbore within a formation, the tool comprising:

a perforated base pipe layer;

a filtering media layer around the base pipe layer;

a perforated outer shroud around the filtering media layer, and wherein a recess is formed in a wall of the outer shroud; and

an encapsulation disposed within the recess; the recess serving as a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors.

32. (Previously Presented) The expandable sand screen tool of claim 31, wherein the recess is formed in an outer surface of the wall.

33. (Previously Presented) The expandable tubular of claim 1, wherein the outer wall comprises a first thickness and the recess is formed within the first thickness.

34. (Previously Presented) The expandable tubular of claim 1, wherein the recess defines a housing for two or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors.

35. (Previously Presented) The expandable tubular of claim 1, wherein the recess is entirely disposed within the outer wall.

36. (Previously Presented) The expandable tubular of claim 1, wherein the outer wall comprises an outer surface and an inner surface with a thickness therebetween, and wherein the recess is entirely disposed within the thickness.

Please add the following new claims:

37. (New) An expandable tubular, comprising: an outer wall having a recess formed therein, the recess defining a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors, wherein:

the expandable tubular is in an expanded state and the outer wall is in substantial contact with a wall of a wellbore, and

the recess comprises:

a first wall having a first end and a second end; and

a second wall having a first end and a second end, the first and second ends of the first and second walls being connected so as to define a housing between the first and second walls; wherein at least one of the first and second walls is arcuate.

38. (New) The expandable tubular of claim 37, wherein the first and second walls are connected at first and second opposite points.

39. (New) The expandable tubular of claim 37, wherein the first and second walls are connected by first and second opposite end walls.

40. (New) The expandable tubular of claim 37, wherein the first and second walls are both arcuate.

41. (New) An expandable tubular, comprising: an outer wall having a recess formed therein, the recess defining a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors, wherein the expandable tubular is a sand screen for use in a wellbore within a formation.

42. (New) The expandable tubular of claim 41, further comprising a filler material to aid in holding the one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, within the recess.

43. (New) The expandable tubular of claim 41, further comprising an encapsulation within the recess, the recess serving as a housing for one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, which reside within the encapsulation.

44. (New) The expandable tubular of claim 43, wherein the encapsulation is fabricated from a deformable material.

45. (New) The expandable tubular of claim 43, wherein the encapsulation further serves as a housing for at least one metal tubular, the at least one metal tubular housing the one or more of the following: control lines, instrumentation lines, and downhole sensors.

46. The expandable tubular of claim 43, wherein the encapsulation defines a crescent shape.

47. (New) The expandable tubular of claim 43, further comprising a filler material to aid in holding the one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, within the encapsulation.

48. (New) The expandable tubular of claim 41, wherein the wellbore includes an open hole portion such that the sand screen is expanded into substantial contact with the formation.

49. (New) The expandable tubular of claim 41, wherein the wellbore defines a cased hole completion such that the sand screen is expanded into substantial contact with the casing.

50. (New) An expandable tubular, comprising: an outer wall having a recess formed therein, the recess defining a housing for one or more of the following during expansion of the expandable tubular: control lines, instrumentation lines, fiber optics, and downhole sensors, wherein a thickness of a wall of the expandable tubular decreases upon expansion.

51. (New) The expandable tubular of claim 50, wherein the expandable tubular is in an expanded state and the outer wall is in substantial contact with a wall of a wellbore.

52. (New) The expandable tubular of claim 50, wherein the expandable tubular is in an expanded state and the outer wall is in substantial contact with casing disposed in a wellbore.

53. (New) The expandable tubular of claim 50, further comprising an encapsulation within the recess, the recess serving as a housing for one or more of the following: control lines, instrumentation lines, fiber optics, and downhole sensors, which reside within the encapsulation.

54. (New) The expandable tubular of claim 53, the encapsulation further comprising at least one arcuate wall.

55. (New) The expandable tubular of claim 50, wherein the recess comprises at least one arcuate wall.

56. (New) A method for controlling at least one downhole tool or instrument through an expandable tubular from a surface of a wellbore, comprising:

providing the expandable tubular in the wellbore, one or more of the following disposable within a recess formed in a wall of the expandable tubular: control lines, instrumentation lines, fiber optics, downhole sensors, data acquisition lines, and communication lines; and

expanding the expandable tubular, thereby decreasing a thickness of the wall of the expandable tubular,

wherein the one or more of the control lines, instrumentation lines, fiber optics, and downhole sensors is protected during the expansion.

57. (New) The method of claim 55, wherein the one or more of the control lines, instrumentation lines, fiber optics, and downhole sensors moves radially outward while expanding the expandable tubular.

58. (New) The method of claim 55, wherein expanding the expandable tubular comprises expanding from the inner diameter of the expandable tubular.